

FEDERAL BUREAU OF INVESTIGATION  
FOI/PA  
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FOI/PA# 1353194-0

Total Deleted Page(s) = 19

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Page 21 ~ b6; b7C;  
Page 22 ~ b6; b7C;  
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Law Offices of [redacted]  
[redacted]

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[redacted]  
Telephone: [redacted]

Facsimile: (617) 332-5593

Of Counsel:  
[redacted]

## MEMORANDUM

To: [redacted]-FBI

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From: [redacted]

Re: [redacted] *Renaissance Technologies*

Date: May 14, 1999

Enclosed are copies of documents from my file which may assist you in your investigation, including a copy of a Complaint and Affidavit (which I assume was filed by New York counsel for Ariya International [redacted] As I told you by phone, I have no originals in my file.

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Good luck!

[redacted]

Gen/Memo to FBI [redacted]

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Universal Case File Number 196A-BF-33164Field Office Acquiring Evidence BS

Serial # of Originating Document \_\_\_\_\_

Date Received 4/12/99

From \_\_\_\_\_

(Address of Contributor)

(City and State)

By SA \_\_\_\_\_To Be Returned ☐ Yes ☒ NoReceipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☒ NoTitle: RENAISSANCE TECHNOLOGIES,  
ARIYA INTL - VICTIM  
FBW

Reference: \_\_\_\_\_

(Communication Enclosing Material)

Description: ☒ Original notes re interview of(2) Copy of complaint filed with State of New York  
ARIYA v. \_\_\_\_\_(3) FAXED CORRESPONDANCE, RENAISSANCE TO  
ATTORNEY \_\_\_\_\_

x225

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STATE OF NEW YORK  
SUPREME COURT

COUNTY OF MONROE

97-4666

ARIYA INTERNATIONAL, INC.,

Plaintiff,

VERIFIED COMPLAINT.

-VS-

Index #

[REDACTED] [REDACTED]  
[REDACTED] RENAISSANCE TECHNOLOGIES,  
Defendants.

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Plaintiff, by its attorneys, Lacy, Katzen, Ryen & Mittleman, LLP, complaining of the Defendants, alleges as follows:

1. Plaintiff is a corporation organized and existing under the laws of the Commonwealth of Massachusetts, with offices at 100 Park Avenue, Newton, Massachusetts.

2. Upon information and belief, Defendant, [REDACTED]  
[REDACTED] resides at or has a place of business at [REDACTED]  
[REDACTED]

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3. Upon information and belief, Defendant, [REDACTED]  
[REDACTED] does business under the name and style of RENAISSANCE  
TECHNOLOGIES, [REDACTED]  
[REDACTED]

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4. Prior to March 10, 1997, Plaintiff and Defendants entered into negotiations for the sale by Defendants to Plaintiff for its customer, International Telecommunication Services ("ITS"), of prepaid phone cards (hereinafter referred to as "Cards").

5. Defendants represented to Plaintiff that they could provide said cards at a per unit price of \$0.130. Defendants represented in a Letter of Intent to Plaintiff that Defendants' client (i.e., the actual supplier of the Cards) was "financially

and logistically able to perform all parts of the Agreement." A copy of Defendants' Letter of Intent is annexed as Exhibit "A".

6. Subsequent thereto and on or about March 21, 1997, Defendants invoiced Plaintiff for said phone cards for the total amount of \$35,360.00. A copy of the invoice is annexed as Exhibit "B".

7. On or about March 24, 1997 the sum of \$35,360.00 was wired by Plaintiff to Defendants. A copy of the Wire Transfer Instructions from Defendants and Plaintiff's Wire Transfer Request Form is respectively annexed as Exhibits "C" and "D".

8. That Defendants have failed to provide any of the cards purchased by Plaintiff and upon information and belief, did not have at the time the Agreement was made the ability to perform all or any part of the Agreement.

9. Upon information and belief, Defendants had wired \$15,000.00 of the total sum of \$35,360.00 to a company known as Telegroup, Inc. in order to purchase the Cards.

10. Upon information and belief, Telegroup, Inc. did not have an agreement with Defendants to provide the cards at the per unit price of \$0.130.

11. Telegroup, Inc., on or about April 18, 1997 returned \$15,000.00 to Plaintiff.

12. That Defendants breached their Agreement with Plaintiff damaging Plaintiff in the sum of \$20,360.00.

13. That although duly demanded, no part of the sum of \$20,360.00 has been paid and there is due and owing from Defendants to Plaintiff the sum of \$20,360.00 together with interest from March 24, 1997.

AS AND FOR A SECOND CAUSE OF ACTION, PLAINTIFF ALLEGES:

14. Plaintiff repeats and realleges the allegations set forth in Paragraphs "1" through "13" as if set forth fully herein.

15. Defendants fraudulently represented to Plaintiff that they were able to provide the cards at a per unit price of \$0.130 when, in fact, they knew that they had no such ability.

16. Defendants defrauded Plaintiff of the sum of \$20,360.00 and caused Plaintiff damages in said amount.

**AS AND FOR A THIRD CAUSE OF ACTION, PLAINTIFF ALLEGES:**

17. Plaintiff repeats and realleges the allegations set forth in Paragraphs "1" through "16" as if set forth fully herein.

18. Upon information and belief, Defendants converted to their own use of the sum of \$20,360.00.

19. Defendants owe to Plaintiff, by reason thereof, the sum of \$20,360.00 together with interest from March 24, 1997.

**WHEREFORE, Plaintiff demands Judgment against Defendants:**

- A) On the First Cause of Action for the sum of \$20,360.00 plus interest from March 24, 1997;
- B) On the Second Cause of Action for the sum of \$20,360.00, plus interest from March 24, 1997; and
- C) On the Third Cause of Action for the sum of \$20,360.00 plus interest from March 24, 1997,

together with attorneys' fees, the costs and disbursements of this action and such other and further relief as to the Court seems just and proper.

DATED: May 6, 1997

Yours, etc.,

LACY, KATZEN, RYEN & MITTLEMAN, LLP  
[Redacted] Esq.

Attorneys for Plaintiff  
130 East Main Street  
Rochester, New York 14604-1686  
Telephone: (716) 454-5650

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V E R I F I C A T I O N

COMMONWEALTH OF MASSACHUSETTS)  
COUNTY OF MIDDLESEX ) SS.:

I, [ ] being duly sworn, deposes and say:

[ ] of ARIYA INTERNATIONAL, INC.,  
the Plaintiff in the within action; that the deponent has read the  
foregoing Complaint and knows the contents thereof; and the same is  
true to my own knowledge, except as to the matters therein stated  
to be alleged upon information and belief, and as to those matters  
I believe to be true. This Verification is made by me because the  
above party is a Corporation. The grounds of my belief as to all  
matters not stated upon my own knowledge are as follows:

Plaintiff's books and records.

Sworn to before me this  
\_\_\_\_ day of May, 1997.

\_\_\_\_\_  
Notary Public

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STATE OF NEW YORK  
SUPREME COURT

COUNTY OF MONROE

ARIYA INTERNATIONAL, INC.,

Plaintiff,

AFFIDAVIT

-vs-

Index #

RENAISSANCE TECHNOLOGIES,

Defendants.

COMMONWEALTH OF MASSACHUSETTS)  
COUNTY OF MIDDLESEX ) ss.:

[redacted] being duly sworn, deposes and says:

1. [redacted] of Ariya International, Inc. ("Ariya"), and I have personal knowledge of the facts set forth in this Affidavit.

2. Attached hereto as Exhibit 1, is a copy of the Summons and Verified Complaint, the original of which is being filed simultaneously with the making of this application.

3. As can be seen by the Verified Complaint and as more fully set forth herein, the Plaintiff is entitled to an Ex Parte Order for an Attachment, together with a Temporary Restraining Order all as provided in the proposed Order submitted herewith.

4. Ariya provides computer, electronics, and software consulting, as well as telecommunications, voice and data services, on an international basis.

5. Among other services provided by Ariya, Ariya acts as a reseller of prepaid telephone calling cards (sometimes referred to hereinafter as "Cards") from US telecommunications companies such

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as MCI and LDDS Worldwide to Ariya's major Japanese customer, International Telecommunication Services ("ITS").

6. I was referred to a company by the name of Renaissance Technologies, which, through its [REDACTED] [REDACTED], both verbally and in writing, held itself out to be capable of filling the order from ITS through its connections with Telegroup, Inc. ("Telegroup").

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7. On or about March 10, 1997, I received a Letter of Intent from [REDACTED] with respect to an anticipated ITS order, a true copy of which Letter of Intent is annexed to the Complaint as Exhibit "A". In pertinent part, that Letter of Intent provides as follows: "Renaissance Technologies confirms that our client [i.e., Telegroup] is, financially and logistically, able to perform all parts of the Agreement..."

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8. On or about March 21, 1997, I received an order from ITS for a substantial number of Cards, and began a search for Cards at the lowest available price to fill this order.

9. [REDACTED] advised that he could obtain the Cards I sought at a per-unit price of \$0.130, and, based upon this representation, as well as the information contained in the Letter of Intent, I placed the ITS order for 2800 Cards with [REDACTED]

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10. On or about March 21, 1997, I received an Invoice for the Cards in the total amount of \$35,360.00, which sum I wired to [REDACTED] as per instructions previously received; annexed to the Complaint as Exhibit "B" is a true copy of the said Invoice; and annexed as Exhibits "C" and "D", respectively, the Wire Transfer Instructions, and the Wire Transfer Request as approved by my bank.

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11. Although [ ] received the wire transfer in full, the Cards were not delivered as agreed.

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12. When I contacted [ ] to complain about his failure to deliver the Cards, he stated that he had wired only \$15,000.00 to Telegroup (instead of the full \$35,360.00 as agreed); that Telegroup could not "fill the order," but that he would find another supplier on substantially similar terms.

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13. On information and belief, [ ] had no intention of wiring the agreed amount of money to Telegroup, or of delivering the Cards at the agreed-upon price and quantity, and in fact, did not have the capability, "financially or logistically," to provide the Cards at any time relevant hereto. This belief is based upon my subsequent telephone conversations with representatives of Telegroup, who stated unequivocally that they were never under contract with [ ] that they never made any cards available to him at a price of \$0.130/unit, and that [ ] had apparently been lying to both Telegroup and to me all along in an effort to coerce an order and thereby obtain money.

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14. [ ] subsequently advised me that he had worked out a deal with Global Telecom Networks ("GTN") to provide the Cards at a price of \$0.150/unit, and on or about April 29, 1997, \$15,000.00 of the money I had wired to [ ] (which had been returned to me by Telegroup) plus \$442.00 from Ariya was wired to GTN, filling a portion of the ITS order.

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15. The monies that were wired to Defendants were for the sole purpose of purchasing Cards for the benefit of Plaintiff. By failing to purchase the Cards and by failing to return the money to

the Plaintiff, Defendants have clearly disposed of property sufficient to satisfy a Judgment.

16. From and after April 29, 1997, both my local attorney and I contacted, or attempted to contact, [ ] on numerous occasions, both verbally and in writing, in an effort to obtain the \$20,360.00 balance of the money I had wired to [ ] Annexed hereto as Exhibits 2, 3, 4 and 5 respectively, are true copies of memoranda faxed by my attorney to [ ] as well as the one and only facsimile response received from [ ]

17. I have contacted [ ] Credit Union with the information provided to me for the purpose of wire transfer, and have been advised that presently there are insufficient funds in [ ] account to reimburse the balance owed.

18. On information and belief, [ ] converted the money I had wired him to his own use and has defrauded Plaintiff of the sum of \$20,360.00.

19. If [ ] were notified in advance of a hearing on a motion for attachment, he would remove any remaining funds from his bank; and I am aware of no other assets or insurance proceeds available to satisfy Plaintiff's claim and anticipated Judgment in this matter.

20. As can be seen by the Verified Complaint and this Affidavit, it is probable that the Plaintiff will succeed on the merits.

21. The facts set forth clearly show that the Defendants, with intent to defraud their creditors or frustrate the enforcement of a Judgment that might be rendered in Plaintiff's favor has

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assigned, disposed of, encumbered or secreted property.

22. The amount demanded exceeds all counterclaims known to Plaintiff.

23. No previous application has been made for the relief requested herein.

WHEREFORE, I respectfully request that the Court grant the annexed Order of Attachment, together with a temporary restraining order and for such other and further relief as may be just and proper.

Sworn to before me this  
\_\_\_\_\_ day of May, 1997.

\_\_\_\_\_  
Notary Public

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04-30-1997 08:24AM

LAW OFFICES  
Naples Legend Pharmacy

714 P02 AFR 30 '97 10:35  
716 374 6503 P.01

To:

From:

Sent in Fine mode  
since its very hard to  
read!

## FAX COVER SHEET

RENAISSANCE TECHNOLOGIES

USA  
PHONE: 716-271-5348 / 1-888-294-7847  
FAX: 716-271-3548 / 1-800-758-3548

SEND TO ANY FOUR	
Company name/ Firmennamen/ Societe	
City OFFICES	
Attention to	DATE/ Datum/ Date
	4/30/97
Fax number/ Fax Nr./ N° de fax	Phone number/ Telefon N° de tel.
(617) 969-3104	888-294-7847

<input type="checkbox"/> Urgent/ Dringend/ Urgent	<input type="checkbox"/> Reply ASAP/ Rückantwort/ Réponse urgente Attendez	<input type="checkbox"/> Please comment/ Erfeldigung/ Commentaires attendus	<input type="checkbox"/> Please review/ Überprüfung/ A vérifier	<input checked="" type="checkbox"/> For your information/ Kenntmachungen/ Copie pour information
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Total pages, including cover sheet:  
Anzahl der übermittelten Seiten inkl. Deckblatt  
Nombre de pages (Page de garde incluse)

COMMENTS/ ANMERKUNGEN/ COMMENTAIRES

Since the IRS/ARINA has now come down to  
threats to myself & my girlfriend as late as Monday  
yesterday. And it appears this relationship will not be  
going further. I plan to meet w/ my attorney today  
4/30/97. To discuss my options of compensation.  
I've worked very hard at finding a provider  
for ARINA/IRS. Havis as phone calls, negotiations,  
broadcast faxes etc. I located GTH/CC  
ARINA/IRS as the agent & ARYA proceed to remove  
my company out of the loop & complete negotiations.  
GTH w/o myself, which may or may not be illegal  
but is certainly unethical. My presence is in  
Buffalo, NY which is about 1/2 hour from  
where I live. I'm traveling there today & I  
will either have him contact you or I will myself  
whichever he advises TODAY. My Banker Jackueband  
has wife transfer paperwork on his desk. She's waiting for  
an amount for my ~~self~~ thank you  
P.S. My FAX # ~~is~~ compensation  
is 1-800-358-3548

LAW OFFICES of [REDACTED]

[REDACTED]  
Of Counsel:  
[REDACTED]Telephone [REDACTED]  
Facsimile: (617) 969-2104b6  
b7CFACSIMILE TRANSMITTAL INFORMATION

Date:

4/30/97

To: Fax No.:

1-800-758-3548

Name of Recipient:

Firm or Office:

Renaissance Technologies

From:

Description of Document(s):

Re: Ariya Int'l

~~CONFIDENTIAL~~~~URGENT~~b6  
b7Cb6  
b7CTHIS TRANSMISSION CONSISTS OF 1 PAGE~~S~~, ~~INCLUDING~~ THIS COVER SHEET.Original to follow by: ☐ Mail ☐ Overnight Delivery ☐ Courier ☒ N/A

If you do not receive all pages, or have any problem with this transmission, please call [REDACTED] at [REDACTED]. Our fax number is (617) 969-2104.

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Message to Recipient:

[REDACTED] is willing to allow you to reduce the wire transfer amount by \$1193<sup>40</sup>, which was the agreed-upon compensation from GTN. However, the balance must be wire-transferred immediately. Please advise as to your intentions. If this cannot be accomplished this morning, I must speak with your attorney immediately.

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\*\*\*\*\*CONFIDENTIALITY NOTICE\*\*\*\*\*

The documents accompanying this facsimile transmission contain information from the Law Offices of Philip S. Levoff which is confidential or privileged. The information is intended to be for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this FAX information is prohibited. If you have received this fax in error, please notify us by telephone immediately so that we can arrange for the retrieval of the original document at no cost to you. We sincerely appreciate your understanding and cooperation.

LAW OFFICES of

Of Counsel:

Telephone

Facsimile: (617) 969-2104

b6  
b7CFACSIMILE TRANSMITTAL INFORMATION

Date:

4/29/97

To: Fax No.:

1-716-374-6903; 1-716-396-9004

Name of Recipient:

Firm or Office:

Renaissance Technologies

From:

Description of Document(s):

Re: Ariya Int'l, Inc. /

~~CONFIDENTIAL~~**URGENT**b6  
b7Cb6  
b7CTHIS TRANSMISSION CONSISTS OF 1 PAGE\$, ~~INCLUDING~~ THIS COVER SHEET.Original to follow by: ☐ Mail ☐ Overnight Delivery ☐ Courier ☒ N/AIf you do not receive all pages, or have any problem with this transmission, please call ☐ at ☐ Our fax number is (617) 969-2104.b6  
b7C

Message to Recipient:

I represent ☐ / Ariya. I must hear from you no later than 10:00 AM tomorrow, 4/30/97. If this matter is not resolved satisfactorily, I will take immediate and decisive action against you, which may be irreversible. Do not ignore this urgent message, or misread our resolve.

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Universal Case File Number 196ABF 33164

Field Office Acquiring Evidence \_\_\_\_\_

Serial # of Originating Document \_\_\_\_\_

Date Received \_\_\_\_\_

From \_\_\_\_\_

(Name of Contributor)

(Address of Contributor)

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To Be Returned ☐ Yes ☒ NoReceipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☒ No

Title:

Reference: \_\_\_\_\_

(Communication Enclosing Material)

Description: ☒ Original notes re interview ofHates PD mug shot &  
arrest reportb6  
b7C





# UNITED STATES POSTAL SERVICE

WESTGATE BRANCH

1485 HOWARD ROAD

ROCHESTER, NY 14624-9998



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8/20/93

Universal Case File Number 196ABF 33164

Field Office Acquiring Evidence -1A3

Serial # of Originating Document \_\_\_\_\_

Date Received \_\_\_\_\_

From \_\_\_\_\_  
(Name of Contributor)

\_\_\_\_\_  
(Address of Contributor)

[Redacted Box]

To Be Returned ☐ Yes ☒ No

Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☒ No

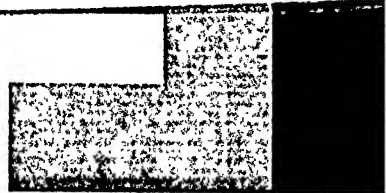
Title:

Reference: \_\_\_\_\_  
(Communication Enclosing Material)

Description: ☐ Original notes to interview of

Correspondence between  
Subject & victim

expres



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Lacy, Katzen, Ryen & Mittleman, LLP

ATTORNEYS AT LAW  
THE GRANITE BUILDING  
130 EAST MAIN STREET  
ROCHESTER, NEW YORK 14604-1686

(716) 454-5650  
FACSIMILE (716) 454-6525

HERBERT W. LACY  
(1920 - 1989)

May 5, 1999

ALSO ADMITTED IN:  
• ILLINOIS  
+ NEW JERSEY  
• PENNSYLVANIA

[REDACTED]  
Ariya International, Inc.  
100 Park Avenue  
Newton, MA 02158

RE: [REDACTED]

Dear [REDACTED]

Unfortunately, I have been unsuccessful in locating our file. However, I did obtain copies of the Pleadings that we used in court and I am enclosing a copy of the Summons, Affidavit and Complaint that were filed with the court. After reviewing this with the FBI please advise me if there is any other information which I may be able to obtain from the court documents. Again, I apologize for not being able to find the file but I believe that all of the information that was relevant to the proceeding is contained in the Complaint and the Affidavit.

Very truly yours,

Lacy, Katzen, Ryen & Mittleman, LLP

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Enc.

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STATE OF NEW YORK  
SUPREME COURT

COUNTY OF MONROE

ARIYA INTERNATIONAL, INC.,

Plaintiff,

AFFIDAVIT

-vs-

Index # 97/46666

RENAISSANCE TECHNOLOGIES,

Defendants.

COMMONWEALTH OF MASSACHUSETTS)  
COUNTY OF MIDDLESEX ) ss.:

[redacted] being duly sworn, deposes and says:

1. [redacted] of Ariya International, Inc. ("Ariya"), and I have personal knowledge of the facts set forth in this Affidavit.

2. Attached hereto as Exhibit 1, is a copy of the Summons and Verified Complaint, the original of which is being filed simultaneously with the making of this application.

3. As can be seen by the Verified Complaint and as more fully set forth herein, the Plaintiff is entitled to an Ex Parte Order for an Attachment, together with a Temporary Restraining Order all as provided in the proposed Order submitted herewith.

4. Ariya provides computer, electronics, and software consulting, as well as telecommunications, voice and data services, on an international basis.

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as MCI and LDDS Worldwide to Ariya's major Japanese customer, International Telecommunication Services ("ITS").

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15. The monies that were wired to Defendants were for the sole purpose of purchasing Cards for the benefit of Plaintiff. By failing to purchase the Cards and by failing to return the money to

P.10/11

the Plaintiff, Defendants have clearly disposed of property sufficient to satisfy a Judgment.

16. From and after April 29, 1997, both my local attorney and I contacted, or attempted to contact, [ ] on numerous occasions, both verbally and in writing, in an effort to obtain the \$20,360.00 balance of the money I had wired to [ ] Annexed hereto as Exhibits 2, 3, 4 and 5 respectively, are true copies of memoranda faxed by my attorney to [ ] as well as the one and only facsimile response received from [ ]

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18. On information and belief, [ ] converted the money I had wired him to his own use and has defrauded Plaintiff of the sum of \$20,360.00.

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19. If [ ] were notified in advance of a hearing on a motion for attachment, he would remove any remaining funds from his bank; and I am aware of no other assets or insurance proceeds available to satisfy Plaintiff's claim and anticipated Judgment in this matter.

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20. As can be seen by the Verified Complaint and this Affidavit, it is probable that the Plaintiff will succeed on the merits.

21. The facts set forth clearly show that the Defendants, with intent to defraud their creditors or frustrate the enforcement of a Judgment that might be rendered in Plaintiff's favor has



assigned, disposed of, encumbered or secreted property.

22. The amount demanded exceeds all counterclaims known to Plaintiff.

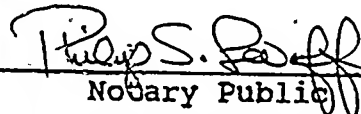
23. No previous application has been made for the relief requested herein.

WHEREFORE, I respectfully request that the Court grant the annexed Order of Attachment, together with a temporary restraining order and for such other and further relief as may be just and proper.



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Sworn to before me this  
6th day of May, 1997.

  
Notary Public

PHILIP S. LEVOFF, Notary Public  
My Commission Expires Sept. 21, 2001

STATE OF NEW YORK  
SUPREME COURT COUNTY OF MONROE

Index No. 97/4666.

ARIYA INTERNATIONAL, INC.,

Plaintiff designates MONROE  
County as the place of trial

Plaintiff,

**SUMMONS**

- VS -

The basis of the venue is  
Defendant's place of business.

RENAISSANCE TECHNOLOGIES

Plaintiff resides at  
100 Park Avenue  
Newton, MS 02158  
County of Middlesex

Defendants.

To the Above-Named Defendants

YOU ARE HEREBY SUMMONED to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiff's attorney(s) within twenty (20) days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

DATED: May 6, 1997

LACY, KATZEN, BYEN & MITTLEMAN, LLP  
Esq.

Attorneys for Plaintiff  
130 East Main Street  
Rochester, New York 14604  
Tel. (716) 454-5650

NOTED & FILED

05 MAY 08 1997

(228365)

STATE OF NEW YORK  
SUPREME COURT

COUNTY OF MONROE

ARIYA INTERNATIONAL, INC.,

Plaintiff,

VERIFIED COMPLAINT.

-VS-

Index #

RENAISSANCE TECHNOLOGIES,

Defendants.

Plaintiff, by its attorneys, Lacy, Katzen, Ryen & Mittleman, LLP, complaining of the Defendants, alleges as follows:

1. Plaintiff is a corporation organized and existing under the laws of the Commonwealth of Massachusetts, with offices at 100 Park Avenue, Newton, Massachusetts.

2. Upon information and belief, Defendant, [REDACTED]

[REDACTED] resides at or has a place of business at [REDACTED]

3. Upon information and belief, Defendant, [REDACTED]

[REDACTED] does business under the name and style of RENAISSANCE TECHNOLOGIES, with offices at [REDACTED]

4. Prior to March 10, 1997, Plaintiff and Defendants entered into negotiations for the sale by Defendants to Plaintiff for its customer, International Telecommunication Services ("ITS"), of prepaid phone cards (hereinafter referred to as "Cards").

5. Defendants represented to Plaintiff that they could provide said cards at a per unit price of \$0.130. Defendants represented in a Letter of Intent to Plaintiff that Defendants' client (i.e., the actual supplier of the Cards) was "financially

and logistically able to perform all parts of the Agreement." A copy of Defendants' Letter of Intent is annexed as Exhibit "A".

6. Subsequent thereto and on or about March 21, 1997, Defendants invoiced Plaintiff for said phone cards for the total amount of \$35,360.00. A copy of the invoice is annexed as Exhibit "B".

7. On or about March 24, 1997 the sum of \$35,360.00 was wired by Plaintiff to Defendants. A copy of the Wire Transfer Instructions from Defendants and Plaintiff's Wire Transfer Request Form is respectively annexed as Exhibits "C" and "D".

8. That Defendants have failed to provide any of the cards purchased by Plaintiff and upon information and belief, did not have at the time the Agreement was made the ability to perform all or any part of the Agreement.

9. Upon information and belief, Defendants had wired \$15,000.00 of the total sum of \$35,360.00 to a company known as Telegroup, Inc. in order to purchase the Cards.

10. Upon information and belief, Telegroup, Inc. did not have an agreement with Defendants to provide the cards at the per unit price of \$0.130.

11. Telegroup, Inc., on or about April 18, 1997 returned \$15,000.00 to Plaintiff.

12. That Defendants breached their Agreement with Plaintiff damaging Plaintiff in the sum of \$20,360.00.

13. That although duly demanded, no part of the sum of \$20,360.00 has been paid and there is due and owing from Defendants to Plaintiff the sum of \$20,360.00 together with interest from March 24, 1997.

AS AND FOR A SECOND CAUSE OF ACTION, PLAINTIFF ALLEGES:

14. Plaintiff repeats and realleges the allegations set forth in Paragraphs "1" through "13" as if set forth fully herein.

15. Defendants fraudulently represented to Plaintiff that they were able to provide the cards at a per unit price of \$0.130 when, in fact, they knew that they had no such ability.

16. Defendants defrauded Plaintiff of the sum of \$20,360.00 and caused Plaintiff damages in said amount.

AS AND FOR A THIRD CAUSE OF ACTION, PLAINTIFF ALLEGES:

17. Plaintiff repeats and realleges the allegations set forth in Paragraphs "1" through "16" as if set forth fully herein.

18. Upon information and belief, Defendants converted to their own use of the sum of \$20,360.00.

19. Defendants owe to Plaintiff, by reason thereof, the sum of \$20,360.00 together with interest from March 24, 1997.

WHEREFORE, Plaintiff demands Judgment against Defendants:

- A) On the First Cause of Action for the sum of \$20,360.00 plus interest from March 24, 1997;
  - B) On the Second Cause of Action for the sum of \$20,360.00, plus interest from March 24, 1997; and
  - C) On the Third Cause of Action for the sum of \$20,360.00 plus interest from March 24, 1997,
- together with attorneys' fees, the costs and disbursements of this action and such other and further relief as to the Court seems just and proper.

DATED: May 6, 1997

Yours, etc.,

LACY, KATZEN, RYEN & MITTLEMAN, LLP  
[Redacted] Esq.

Attorneys for Plaintiff  
130 East Main Street  
Rochester, New York 14604-1686  
Telephone: (716) 454-5650

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V E R I F I C A T I O N

COMMONWEALTH OF MASSACHUSETTS)  
COUNTY OF MIDDLESEX )

SS.:

I, [REDACTED] being duly sworn, deposes and say:

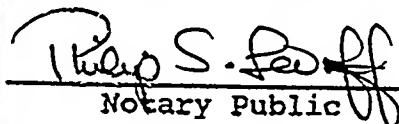
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[REDACTED] of ARIYA INTERNATIONAL, INC.,  
the Plaintiff in the within action; that the deponent has read the  
foregoing Complaint and knows the contents thereof; and the same is  
true to my own knowledge, except as to the matters therein stated  
to be alleged upon information and belief, and as to those matters  
I believe to be true. This Verification is made by me because the  
above party is a Corporation. The grounds of my belief as to all  
matters not stated upon my own knowledge are as follows:

Plaintiff's books and records.

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Sworn to before me this  
6th day of May, 1997.

  
Notary Public

PHILIP S. LEVOFF, Notary Public  
My Commission Expires Sept. 21, 2001

**RENAISSANCE TECHNOLOGIES**

PH (716) 271-5348 / 1 (888) 294-7847  
FAX (716) 271-3548 / 1 (800) 758-3548

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March 10, 1997

**LETTER OF INTENT**

Renaissance Technologies represent a telecommunications company in the United States that will do the following:

- 1) Agree to direct 50K to 100K minutes of Japan to United States telecom traffic over ITS Private Line.
- 2) Agree to a term of between 1 - 3 years depending on rates.
- 3) Agree to provide reasonable deposit based on anticipated usage and rates.

My client requests the following:

- 1) A definite time line of service implementation within 90 days, preferably closer to 70 days.
- 2) A guaranteed flat rate that will reflect term discounts, etc.
- 3) A decision within 10 - 15 days if the aforementioned agreement is viable to ITS.

Renaissance Technologies confirms that our client is, financially and logistically, able to perform all parts of the agreement, and very anxious to move forward with the development of said agreement.

Awaiting your favorable reply, we remain,

Renaissance Technologies

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LAW OFFICE [REDACTED]

738 P05 MAY. 02 '97 12:37

03/21/97 11:28 716 271 3548  
716-21-199/ 11:37 656

RENAISSANCE TECH

716-4730205 P. 01 0001

RENAISSANCE TECHNOLOGIES

PI [REDACTED]  
FAX (716) 271-3548 / 1 (800) 758-3548

INVOICE

Date: 3/21/97

Customer:

Ariya Int'l.  
100 Park Avenue  
Newton, Ma. 02158

Phone: [REDACTED]  
Fax: (617) 527-2269

No.	Item	Cost/Unit	Total Cost
1000	112 Unit Prepaid Cards	0.130	\$14,560.00
800	182 Unit Prepaid Cards	0.130	\$18,928.00
800	14 Unit Prepaid Cards	0.130	\$ 1,456.00
200	16 Unit Prepaid Cards	0.130	\$ 416.00
	Total Cost		\$35,360.00

INVOICE PAYABLE UPON RECEIPT

THANK YOU

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02/15/97 10:45

716 271 3548

RENAISSANCE TECH

0004

**RENAISSANCE TECHNOLOGIES**

PH (716) 271-5348 / 1 (888) 294-7847  
FAX (716) 271-3548 / 1 (800) 758-3548

**WIRING INSTRUCTIONS**

Contact Bank:

Chase Manhattan NYC

ABA or Routing #:

021.000.021.

Secondary Bank:

The Summit FCU

Account #:

Final Credit:

Account #:

Renaissance Technologies

**Explanation of Terms:**

Contact Bank:

This bank is "on line" with the Federal Reserve. They are eligible to receive funds through the Federal Wires. All banks are not. It would be impossible to wire money to a credit union when it isn't on line. In this case, funds must be wired to the credit union's "contact bank" who would in turn send the money to the "secondary bank" where Renaissance Technologies maintains an account.

Secondary Bank: This is the bank that receives the funds to distribute to the recipient.

Bank Address: 100 Marina Drive  
Rochester, NY 14626

Instruct bank to call have all up  
Receipt of Funds

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b7Cb6  
b7Cb6  
b7Cb6  
b7C

USTRUST WIRE TRANSFER DEPARTMENT - WIRE TRANSFER REQUEST FORM (FORM B)  
PLEASE PRINT CLEARLY OR TYPE

Date Time Called by Phone # Received by FAX log #

3/24/97 1:15

421

(3)

Repetitive Number: Wire Amount: \$ 35,360.00

Wire Fee: Direct Charge ☒ Analysis Profit Ctr #

Debit Account Number: Debit Bank #: 1 3 6

Collected Available Balance: \$ 44,958.72

NOTE: IF THE FUNDS ARE UNCOLLECTED, THE ENTRY MUST BE FORCED. PLEASE  
ALSO SUBMIT A SEPARATE WIRE AUTHORIZATION FORM (FORM A).Customer Name (Required): ARIYA INTERNATIONALAddress (Required): 100 PARK AVENEWTON, MA 02458

\*\*\*\*\*

WIRE TO:

Bank Name: CHASE MANHATTAN NYC ABA #: 021000021FOR BENEFIT OF THE SUMMIT FCU

Beneficiary Account Number:

FOR BENEFIT OFFor Credit to (beneficiary name): REMISSANCE TECHNOLOGIES

\*\*\*\*\*

A. I have read the other side of this form and understand my  
responsibilities and liabilities in making this wire transfer

Customer signature

Phone #

B. Approved by (Required):

NOTE: IF THE CUSTOMER HAS NOT SIGNED ABOVE, WIRE IS NOT COVERED BY  
USTRUST BLANKET BOND INSURANCE.

\*\*\*\*\*

FOR WIRE DEPARTMENT USE ONLY:

ABA Number: Short Name:

IntraNet Seq. Number: Fed Ref. Number:

Entered by/Date: Verified by/Date:

LAW OFFICES of

Telephone:

Facsimile: (617) 969-2104

Of Counsel:

FACSIMILE TRANSMITTAL INFORMATION

Date:

4/30/97

To: Fax No.:

1-800-758-3548; 716-374-6903

Name of Recipient:

Firm or Office:

Renaissance Technologies

From:

Description of Document(s):

Re: Ariya Int'l

~~CONFIDENTIAL~~**URGENT**THIS TRANSMISSION CONSISTS OF 1 PAGES, ~~INCLUDING~~ THIS COVER SHEET.Original to follow by:      Mail      Overnight Delivery      Courier      N/AIf you do not receive all pages, or have any problem with this transmission, please call      at       
Our fax number is (617) 969-2104.

Message to Recipient: I have telephoned you twice since you left a message at 11:45 this morning. Your failure to resolve this matter has created a financial crisis for my client. Your failure to return his money, which it appears you received under false pretenses, and may no longer have (your bank indicates that you do not have the necessary funds available) may have grave implications. I must hear from you today.

\*\*\*\*\*CONFIDENTIALITY NOTICE\*\*\*\*\*

The documents accompanying this facsimile transmission contain information from the Law Offices of Philip S. Levoff which is confidential or privileged. The information is intended to be for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this FAX information is prohibited. If you have received this fax in error, please notify us by telephone immediately so that we can arrange for the retrieval of the original document at no cost to you. We sincerely appreciate your understanding and cooperation.

## FAX COVER SHEET

RENAISSANCE TECHNOLOGIES

USA:

PHONE: 716-271-5348 / 1-888-264-7847

FAX: 716-271-3548 / 1-800-758-3548

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SEND TO AN/ POUR

Company name/ Firmenname/ Société

LAW OFFICES

Version de

Date/ Datum/ Date

4/30/97

Phone number/ Telefon/ N° de tel.

888-294-7847

Urgent/  
Dringent/  
UrgentReply ASAP/  
Rückantwort/  
Réponse Urgente  
attenduePlease comment/  
Erläuterung/  
Commentaires  
attendusPlease review/  
Überprüfung/  
A vérifierFor your information/  
Kenntnisnahme/  
Copie pour information

Total pages, including cover sheet

Anzahl der übermittelten Seiten inkl. Deckblatt

Nombre de pages (Page de garde incluse)

COMMENTS/ ANMERKUNGEN/ COMMENTAIRES

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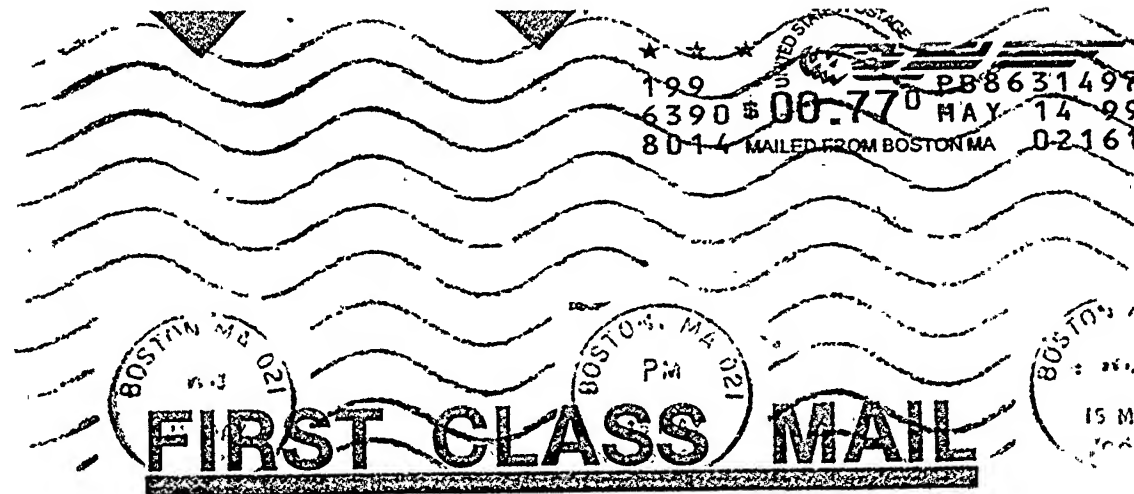
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Since the IRS/ARIYA has now come down to threats to myself & my girlfriend as late as midday yesterday. And it appears this relationship will not be going further. I plan to meet w/ my attorney today 5/1/97 to discuss my options of compensation. I've worked very hard at finding a provider for ARIYA. I've done a lot of phone calls, negotiations, broadcast faxes etc. I located GTN for ARIYA. It's as the agent & ARIYA proposed to remove my company out of the loop & complete negotiation. GTN w/o myself which may or may not be illegal but is certainly unethical. My attorney is in Buffalo, NY which is about 1/2 hour from where I live. I'm traveling there today & I will either have him contact you or I will myself whichever he advises. TODAY my banker Jackie Garay has with transfer deposit on her desk. She's waiting for \$5. My Fax # & compensation

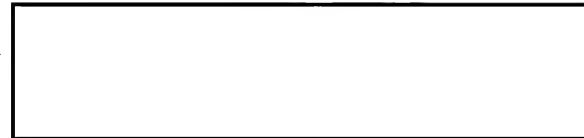
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*Law Offices of*



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Federal Bureau of Investigation  
100 State Street, Room 300  
Rochester, NY 14614

(Title) \_\_\_\_\_  
(File No.) 196A-BF-33164

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